SHAN S. TSUTSUI LIEUTENANT



STATE OF HAWAII DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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February 13, 2015

To: The Honorable Mark M. Nakashima, Chair,

The Honorable Jarrett K. Keohokalole, Vice Chair, and

Members of the House Committee on Labor & Public Employment

Date: Tuesday, February 17, 2015

Time: 10:00 a.m.

Place: Conference Room 309, State Capitol

From: Elaine N. Young, Acting Director

Department of Labor and Industrial Relations (DLIR)

Re: H.B. No. 520HD1 Proposed Relating to Workforce Development

I. OVERVIEW OF PROPOSED LEGISLATION

HB520 Proposed HD1 adds a new section to chapter 371, Hawaii Revised Statutes (HRS), to allow the director of the Department of Labor and Industrial Relations (department) to establish workforce advisory boards.

The federal Workforce Innovation and Opportunity Act (WIOA), enacted on July 22, 2014, will take effect on July 1, 2015. It is an extensive legislative improvement of the public workforce system and will help put Americans back to work.

To provide leadership in the implementation of WIOA, the Legislature finds it necessary to allow the director of the department to establish workforce advisory boards that will bring together partners, stakeholders, employers, and educators through various advisory boards for the purpose of carrying out the provisions of the federal law.

The department supports the measure as long as its passage does not replace or adversely affect priorities identified in the Executive Budget.

II. CURRENT LAW

Chapter 371 pertains to the department and does not include a provision allowing the director to establish workforce advisory boards.

HB520 Proposed HD1 February 17, 2015 Page 2

III. COMMENTS ON THE HOUSE BILL

The department agrees that implementation of WIOA will require extensive partnership building among government and private stakeholders to develop a highly coordinated and customer-focused delivery system. Federal officials recently emphasized the great importance of meeting with partner programs and businesses to build meaningful partnerships that lead to gainful, high-wage employment. This will take extensive and in-depth planning and continued communication. For these reasons, the department supports this measure provided that sufficient funds are appropriated and its passage does not replace or adversely impact priorities in the Executive Budget.



Testimony to the House Committee on Labor & Public Employment Tuesday, February 17, 2015 at 10:00 A.M. Conference Room 309, State Capitol

RE: HOUSE BILL 520 PROPOSED HD1 RELATING TO WORKFORCE <u>DEVELOPMENT</u>

Chair Nakashima, Vice Chair Keohokalole, and Members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports** HB 520, Proposed HD1, which allows the Director of the Department of Labor and Industrial Relations to establish workforce advisory boards.

The Chamber is the largest business organization in Hawaii, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports HB 520, Proposed HD1 as it seeks to ensure that Hawaii has an adequate supply of prepared workers by allowing the director of labor and industrial relations to establish workforce advisory boards. This proposed measure will improve the state's workforce development system and also ensure that Hawaii's employment needs will be met by coordinating workforce training programs to match employers with qualified workers.

Thank you for the opportunity to testify.